

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 497** HLS 20RS 441

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 5, 2020 7:29 AM	Author: IVEY
Dept./Agy.: Legislature/Legislative Auditor	Analyst: Willie Marie Scott
Subject:	

LEGISLATIVE AUDITOR EN INCREASE GF EX See Note Page 1 of 1
Requires each auditee in state government to provide the legislative auditor with direct access to data.

The proposed legislation requires, upon the request either by the adoption of a concurrent resolution or written joint request from the presiding officers, an auditee of state government to provide the LA Legislative Auditor (LLA) with electronic access to a synchronized copy of the data points as they exist in the auditee's system, including those regarding expenditures, revenues, contracts, and financial matters. The LLA shall comply with restrictions imposed by law on any of the data received that is deemed confidential, privileged, or otherwise restricted. The proposed law shall not apply to the Department of Justice and Department of State. It further provides that the LLA shall develop a plan for the implementation of the proposed law, which shall be subject to the review and approval of the Legislative Audit Advisory Council. The legislature shall be responsible for all reasonable and verifiable costs related to the establishment of portals or connectivity necessary for auditees to comply with the proposed legislation.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

The proposed legislation may result in an indeterminable increase in expenditures since it will depend on the number of requests for an auditee to provide the LLA with electronic access to a synchronized copy of its data points as they exist in the auditee's system regarding expenditures, revenues, contracts, and financial matters. According to the LLA, development of a detailed plan must be performed and will include the identification of project goals and objectives to address the various computing systems relative to existing connectivity, security protocols, databases, underlining infrastructure, access requirements, and necessary hardware and software licensing. The LLA was unable to provide the timeline or costs for the development of the plan. The increase in expenses may include any or all of the following; testing the system compatibility with various agency systems and capabilities; purchase of necessary hardware; acquisition of software licensing; system(s) maintenance; training end-users; and the potential implementation costs for affected entities to employ internal auditors.

REVENUE EXPLANATION

The present law provides that any person who violates R.S. 24:513 shall be fined not more than \$1,000 and deemed guilty of malfeasance and gross misconduct in office; and subject to removal. The present law penalties apply to violations of the proposed law. Potential SGF revenue generated from fines is indeterminable since the LLA has not collected from fines in over 20 years.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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